Rise in prices of Medicines

1805. SHRIMATI VANGA GEETHA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the price of medicines had seen an average increase of 15.62 per cent per annum during the last six years;

(b) if so, the reasons therefor; and

(c) the clear policies and guidelines proposed, to check price hike in pharma sector?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) As per the data of the Office of the Economic Advisor, Ministry of Industry and Commerce, the increase in wholesale price index for drugs and medicines during the last six years (1995-1996 to 2001-2002) is 84.32% and the average annual increase on compounding basis is 10.73%. The common reasons for rise in prices of medicines, in general, are rise in prices of raw materials, transport/freight charges, change in foreign exchange rates, change in taxes and duties etc.

Government have announced the Pharmaceutical Policy-2002 in February, 2002. The main objectives of this Policy are, *Inter-alia,* ensuring abundant availability at reasonable prices within the country of good quality essential pharmaceuticals of mass consumption and strengthening the indigenous capablity for cost effective quality production. A copy of the Policy is available in Parliament Library.

Sale of holdings in Hindustan Antibiotics

1806. SHRIMATI N.P. DURGA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government have decided to sell 100 per cent holdings in the Hindustan Antibiotics;

(b) if so, the amount with interest this enterprise owed to different banks as on 31st March 2002; and

(c) the details of efforts made during last three years to bring about improvement in the working of this enterprises?